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Testimony by JoAnn Serkey
Vice President
Auto Body Association of Connecticut

Good Day,

Pending before you is Bill 6446, which is intended to strengthen existing law to prevent automobile insurance companies from "steering" customers to so-called preferred auto body shops. Believe it or not, today I am here to speak in opposition to one facet of this bill.

Members of the Auto Body Association of Connecticut, the state Legislature, Attorney General Richard Blumenthal, and even the insurance industry itself, worked hard last year to find an appropriate compromise that resulted in current law. That compromise legislation created transparency and reminded vehicle owners who had been in an accident they could choose the auto body shop that would repair their automobiles, without facing penalties from their insurers.

But now, not even a year later, we find buried within the proposed changes to the existing law, the new phrase *"except as provided in a consumer's automobile liability insurance policy."*

This one phrase negates all the good work done by this legislative body, and all others who worked so hard on behalf of the consumers.

At our body shop and the shops of our members statewide, we see customers every day that don't know the difference between collision and liability, let alone some of the more complex policy terms. If this new phrase is added to the law, there is no question that consumers they will sign up and won't have any idea that they are signing away their rights as consumers.

That one phrase enables the auto insurance industry to write conditions into each policy sold that will negate all the positive aspects of legislation that had one overriding purpose – protection of the consumers and Connecticut's motoring public.

I would remind you that the reason the Auto Body Association of Connecticut worked so hard on the previous legislation was to prevent the use of substandard parts under insurance company direction. The safety of the motoring public was the paramount concern behind this legislation and the safety of the motoring public remains our concern today.

But if the proposed legislation is passed intact, the phrase *"except as provided in a consumer's automobile liability insurance policy,"* will allow the insurance industry to circumvent the letter and intent of existing legislation. It will allow the insurance industry

to specify which auto body repair facilities are permitted, and which ones are off limits. They will write those stipulations into their policies.

That one phrase will destroy all the good work done by so many people less than one year ago and again will make the motor vehicle owners of Connecticut vulnerable to the whims of an industry that again has shown that its sole driving force is profit.

If this legislation passes with that phrase, Connecticut's auto body repair industry will become little more than HMOs of car care. Motorists will have little in the way of real choice, and they will be forced to deal with repairers who, by virtue of their contracts with insurance companies, will be forced to reduce their repair standards. This isn't just bad legislation, it is dangerous legislation. Please remove that phrase, or vote it down.

The members of the Auto Body Association of Connecticut urge you to amend Bill 6446 to strike out this offending change. Help protect consumers from predatory insurance companies.

Thank you